

House File 478

H-1067

Amend House File 478 as follows:

1. Page 3, after line 1 by inserting:

<DIVISION \_\_\_\_\_

TAXPAYERS TRUST FUND

Sec. \_\_\_\_\_. Section 8.54, subsection 5, Code 2013, is amended by striking the subsection.

Sec. \_\_\_\_\_. Section 8.55, subsection 2, Code 2013, is amended to read as follows:

2. The maximum balance of the fund is the amount equal to two and one-half percent of the adjusted revenue estimate for the fiscal year. If the amount of moneys in the Iowa economic emergency fund is equal to the maximum balance, moneys in excess of this amount shall be distributed as follows:

~~a. The first sixty million dollars of the difference between the actual net revenue for the general fund of the state for the fiscal year and the adjusted revenue estimate for the fiscal year shall be transferred to the taxpayers trust fund.~~

~~b. The remainder of the excess, if any, shall be transferred to the general fund of the state.~~

Sec. \_\_\_\_\_. Section 8.57E, subsection 2, Code 2013, is amended to read as follows:

2. Moneys in the taxpayers trust fund shall only be used pursuant to appropriations or transfers made by the general assembly for tax relief.

Sec. \_\_\_\_\_. Section 8.58, Code 2013, is amended to read as follows:

**8.58 Exemption from automatic application.**

~~1. To the extent that moneys appropriated under section 8.57 do not result in moneys being credited to the general fund under section 8.55, subsection 2,~~  
moneys appropriated under in section 8.57 and moneys contained in the cash reserve fund, rebuild Iowa infrastructure fund, environment first fund, Iowa economic emergency fund, and taxpayers trust fund shall not be considered in the application of any formula, index, or other statutory triggering mechanism which would affect appropriations, payments, or taxation rates, contrary provisions of the Code notwithstanding.

~~2. To the extent that moneys appropriated under section 8.57 do not result in moneys being credited to the general fund under section 8.55, subsection 2,~~  
moneys appropriated under in section 8.57 and moneys contained in the cash reserve fund, rebuild Iowa infrastructure fund, environment first fund, Iowa economic emergency fund, and taxpayers trust fund shall not be considered by an arbitrator or in negotiations under chapter 20.

DIVISION \_\_\_\_\_

1 IOWA TAXPAYERS TRUST FUND TAX CREDIT

2 Sec. \_\_\_\_\_. TAXPAYERS TRUST FUND — IOWA TAXPAYERS  
3 TRUST FUND TAX CREDIT TRANSFER. During the fiscal  
4 year beginning July 1, 2013, there is transferred from  
5 the taxpayers trust fund created in section 8.57E to  
6 the Iowa taxpayers trust fund tax credit fund created  
7 in section 422.11E, an amount equal to the sum of  
8 the balance of the taxpayers trust fund as determined  
9 after the close of the fiscal year beginning July 1,  
10 2012, and ending June 30, 2013, including the amount  
11 transferred for that fiscal year to the taxpayers trust  
12 fund from the Iowa economic emergency fund created  
13 in section 8.55 in the fiscal year beginning July 1,  
14 2013, and ending June 30, 2014, to be used for the Iowa  
15 taxpayers trust fund tax credit in accordance with  
16 section 422.11E, subsection 5.

17 Sec. \_\_\_\_\_. NEW SECTION. 422.11E Iowa taxpayers  
18 trust fund tax credit.

19 1. For purposes of this section, unless the context  
20 otherwise requires:

21 a. "*Eligible individual*" means, with respect to  
22 a tax year, an individual who makes and files an  
23 individual income tax return pursuant to section  
24 422.13. "*Eligible individual*" does not include  
25 an estate or trust, or an individual for whom an  
26 individual income tax return was not timely filed,  
27 including extensions.

28 b. "*Unclaimed tax credit*" means, with respect to  
29 a tax year, the aggregate amount by which the Iowa  
30 taxpayers trust fund tax credits that were eligible to  
31 be claimed by eligible individuals, if any, exceeds the  
32 Iowa taxpayers trust fund tax credits actually claimed  
33 by eligible individuals, if any.

34 2. The taxes imposed under this division, less the  
35 credits allowed under this division except the credits  
36 for withheld tax and estimated tax paid in section  
37 422.16, shall be reduced by an Iowa taxpayers trust  
38 fund tax credit to an eligible individual for the tax  
39 year beginning January 1 immediately preceding July 1  
40 of any fiscal year during which a transfer, if any, is  
41 made from the taxpayers trust fund in section 8.57E to  
42 the Iowa taxpayers trust fund tax credit fund created  
43 in this section.

44 3. The credit shall be equal to the quotient of  
45 the amount transferred to the Iowa taxpayers trust  
46 fund tax credit fund in the applicable fiscal year,  
47 divided by the number of eligible individuals for the  
48 tax year immediately preceding the tax year for which  
49 the credit in this section is allowed, as determined  
50 by the director of revenue in accordance with this

1 section, rounded down to the nearest whole dollar. The  
2 department of revenue shall draft the income tax form  
3 for any tax year in which a credit will be allowed  
4 under this section to provide the information and space  
5 necessary for eligible individuals to claim the credit.

6 4. Any credit in excess of the taxpayer's liability  
7 for the tax year is not refundable and shall not be  
8 credited to the tax liability for any following year  
9 or carried back to a tax year prior to the tax year in  
10 which the taxpayer claims the credit.

11 5. a. There is established within the state  
12 treasury under the control of the department an Iowa  
13 taxpayers trust fund tax credit fund consisting of any  
14 moneys transferred by the general assembly by law from  
15 the taxpayers trust fund created in section 8.57E for  
16 purposes of the credit provided in this section. For  
17 the fiscal year beginning July 1, 2013, and for each  
18 fiscal year thereafter, the department shall transfer  
19 from the Iowa taxpayers trust fund tax credit fund  
20 to the general fund of the state, the lesser of the  
21 balance of the Iowa taxpayers trust fund tax credit  
22 fund or an amount of money equal to the Iowa taxpayers  
23 trust fund tax credits claimed in that fiscal year, if  
24 any. Any moneys in the Iowa taxpayers trust fund tax  
25 credit fund which represent unclaimed tax credits shall  
26 immediately revert to the taxpayers trust fund created  
27 in section 8.57E. Interest or earnings on moneys in  
28 the Iowa taxpayers trust fund tax credit fund shall be  
29 credited to the taxpayers trust fund created in section  
30 8.57E.

31 b. The moneys transferred to the general fund of  
32 the state in accordance with this subsection shall not  
33 be considered new revenues for purposes of the state  
34 general fund expenditure limitation under section 8.54  
35 but instead as replacement of a like amount included in  
36 the expenditure limitation for the fiscal year in which  
37 the transfer is made.>

38 2. Page 3, line 24, before <or> by inserting  
39 <except for the Iowa taxpayers trust fund tax credit  
40 allowed under section 422.11E,>

41 3. Page 5, line 15, before <or> by inserting  
42 <except for the Iowa taxpayers trust fund tax credit  
43 allowed under section 422.11E,>

44 4. Page 5, line 21, by striking <This> and  
45 inserting:

46 <1. Except as provided in subsection 2, this>

47 5. Page 5, after line 23 by inserting:

48 <2. The following provisions of this Act apply  
49 retroactively to July 1, 2012, to moneys attributed to  
50 fiscal years beginning on or after July 1, 2012:

1     a. The section of this Act amending section 8.54.  
2     b. The section of this Act amending section 8.55.  
3     c. The section of this Act amending section 8.57E.  
4     d. The section of this Act amending section 8.58.>  
5     6. Title page, line 1, by striking <the individual  
6 income tax by> and inserting <revenue and taxation by  
7 modifying the transfer of moneys from the Iowa economic  
8 emergency fund to the taxpayers trust fund, creating  
9 an Iowa taxpayers trust fund tax credit and fund and  
10 providing for the transfer of moneys for purposes of  
11 the credit,>  
12     7. By renumbering as necessary.

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